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TAGS: [EAIR](#) [ECON](#) [ENRG](#) [ETRD](#) [EUN](#) [PGOV](#) [PREL](#) [EINV](#)
SUBJECT: BRIAN COWEN: NO SOLUTION TO THE LISBON CRISIS BUT
CONTINUED SUPPORT FOR U.S. INITIATIVES

REF: A. DUBLIN 384 AND PREVIOUS
[1](#)B. 07DUBLIN 919
[1](#)C. DUBLIN 306
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Classified By: Ambassador Thomas C. Foley; Reasons 1.4 (B) and (D).

Summary

[1](#)1. (C) During the Ambassador's meeting with Irish Prime Minister Brian Cowen on June 26, 2008 (their first formal meeting since Cowen assumed his new position as Taoiseach), Cowen affirmed continued Irish support for U.S. activities in Shannon and expanded CBP pre-clearance operations. Cowen urged a swift conclusion to the negotiations to expand CBP operations in Ireland. Regarding the two issues which have garnered the majority of local media attention over the past several weeks: rejection of the Lisbon Treaty and the economic downturn, Cowen provided limited insight into likely next steps by either the Irish government or the European Union. The Taoiseach indicated that lack of a resolution on the issue of undocumented Irish in America remained a pressing bilateral issue. Finally, he expressed interest in spurring private philanthropy, but cautioned that the economic climate could complicate government efforts. End Summary.

Shannon Airport/CBP Operations - Continued Support

[1](#)2. (C) Cowen stressed that as long as he is in office, the United States can count on continued support for its military flight activities at Shannon airport. (Note: Spurred by a recent Amnesty International report, Irish media have again focused national attention on the alleged use of Shannon for extraordinary renditions. end note) The Taoiseach urged the Ambassador to press for a swift conclusion of the negotiations on the agreement to expand pre-clearance operations, noting that he strongly believed that adding pre-clearance capabilities to Shannon would bring a large economic boost to western Ireland. The Ambassador pointed out that he understood that a significant sticking point is the required legislation in Ireland that may delay until 2009 the launch of the expanded CBP operations. Mr. Cowen replied that his staff would investigate to determine if the legislation could be fast tracked.

Undocumented Irish - Potential To Harm "Special Relationship"

[1](#)3. (C) The Taoiseach told the Ambassador that the unresolved issue of undocumented Irish in America could affect bilateral relations in the future if young Irish no longer have the opportunity to go to America to work. While he sees the proposed new exchange visas as helpful, he is concerned about

those who are already in America and urged the U.S. to develop a means by which the undocumented Irish could return to Ireland and somehow apply for permanent residence status. He stressed that the special relationship between Ireland and the U.S. is a result of generations of Irish workers in the United States, some of whom stayed, others who returned to Ireland. He said he would be "concerned for the relationship" if that flow stopped for ten or twelve years. When questioned about the status of immigration reform in the U.S., the Ambassador indicated that it is a priority for the current administration but the outlook is poor for passing immigration legislation before the President leaves office.

Lisbon Treaty Aftermath- No Clear Direction

¶4. (C) Cowen was generally non-committal and genuinely appeared to be unsure of the way forward in light of the recent Irish rejection of the Lisbon Treaty. He indicated that amending the treaty would be unlikely, as that would require re-ratification by all member states. Cowen suggested that the only option available would be to vote again on the same treaty, an option he couldn't be optimistic about, and one which, at the very least, would require the passage of considerable time. As such, he is adopting a "wait and see" attitude.

Economy- Exaggerated Media Reports

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¶5. (C) While he did acknowledge a significant downturn in the current year, Cowen believes that media reports are exaggerated and he is "not too worried" about it. He believes that based on demographics, new construction will rebound to 65,000 homes next year. He stated that many adults in Ireland have never experienced a down economy and that the onus is on the government to develop a "political narrative" for them. He briefly discussed alternative energy sources, and shares Post's belief that Ocean energy provides Ireland with a good investment and job creation opportunity.

Philanthropy Stimulation- Support, But Difficult Political Environment

¶6. (C) Cowen indicated that he is interested in the issue of Philanthropy and that he supports the U.S.'s efforts in Ireland (see Reftel). However, he expressed concern that the economic climate may make it difficult for the government to implement tax incentives in the near term that could be seen as favoring the rich. He believes that there is a general consensus that the wealthy should not benefit from tax breaks and believes that in order for opinion to shift, prominent NGOs are best situated to make the case for new tax incentives. The Taoiseach is in agreement with tasking the National Economic and Social Forum to make policy recommendations for stimulating philanthropy in Ireland. At the conclusion of this discussion, the Ambassador provided the Taoiseach with a memorandum on the issue (sent to Desk separately). He then suggested that creating an environment to stimulate philanthropy in Ireland would be an excellent legacy opportunity for some leader and that he hoped Mr. Cowen would make it one of his.

Comment

¶7. (C) Brian Cowen has a very different style from his predecessor. He is very knowledgeable on the issues and is willing to engage in dialogue at the policy level. He is

more approachable than his predecessor and offers the opportunity for closer personal relationships with Embassy personnel. Staffers expressed interest and excitement in a possible connection between Barack Obama's ancestors and the Taoiseach's home county of Offaly.

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